

SERFF Tracking Number:	WESA-125367944	State:	Arkansas
Filing Company:	StarNet Insurance Company	State Tracking Number:	
Company Tracking Number:	SIC-WC-07-002		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Workers Compensation		
Project Name/Number:	Workers Compensation /SIC-WC-07-002		

## Filing at a Glance

Company: StarNet Insurance Company  
Product Name: Workers Compensation  
TOI: 16.0 Workers Compensation  
Sub-TOI: 16.0004 Standard WC  
Filing Type: Rate

SERFF Tr Num: WESA-125367944	State: Arkansas
SERFF Status: Closed	State Tr Num:
Co Tr Num: SIC-WC-07-002	State Status:
Co Status:	Reviewer(s): Betty Montesi, Carol Stiffler, Brittany Yielding
Author: Westmont Associates	Disposition Date: 11/28/2007
Date Submitted: 11/26/2007	Disposition Status: Approved
	Effective Date (New): 01/01/2008
	Effective Date (Renewal):

Effective Date Requested (New): 01/01/2008  
Effective Date Requested (Renewal): 01/01/2008

## General Information

Project Name: Workers Compensation  
Project Number: SIC-WC-07-002  
Reference Organization: None  
Reference Title: n/a  
Filing Status Changed: 11/28/2007  
State Status Changed:  
Corresponding Filing Tracking Number:  
Filing Description:

Status of Filing in Domicile: Not Filed  
Domicile Status Comments: Not Filed  
Reference Number: None  
Advisory Org. Circular: n/a

Deemer Date:

Adoption of the latest approved NCCI Workers Compensation loss costs.

Please note that per an e-mail from Carol Stiffler dated 11/19/07, the filing fees associated with this filing were previously submitted with check #1695, \$100.00

## Company and Contact

### Filing Contact Information

(This filing was made by a third party - westmontassociatesinc)

SERFF Tracking Number: WESA-125367944 State: Arkansas  
Filing Company: StarNet Insurance Company State Tracking Number:  
Company Tracking Number: SIC-WC-07-002  
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC  
Product Name: Workers Compensation  
Project Name/Number: Workers Compensation /SIC-WC-07-002

Wesley Pohler, Compliance Analyst wes@westmontlaw.com  
25 Chestnut Street (856) 216-0220 [Phone]  
Haddonfield, NJ 08033 (856) 216-0303[FAX]

**Filing Company Information**

StarNet Insurance Company CoCode: 40045 State of Domicile: Delaware  
475 Steamboat Road Group Code: 98 Company Type: Property and  
Casualty

PO Box 2519  
Greenwich, CT 06836-2519 Group Name: State ID Number:  
(203) 542-3800 ext. [Phone] FEIN Number: 22-3590451  
-----

SERFF Tracking Number:	WESA-125367944	State:	Arkansas
Filing Company:	StarNet Insurance Company	State Tracking Number:	
Company Tracking Number:	SIC-WC-07-002		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Workers Compensation		
Project Name/Number:	Workers Compensation /SIC-WC-07-002		

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$100.00 filing fee
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
1695	\$100.00	11/14/2007

SERFF Tracking Number:	WESA-125367944	State:	Arkansas
Filing Company:	StarNet Insurance Company	State Tracking Number:	
Company Tracking Number:	SIC-WC-07-002		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Workers Compensation		
Project Name/Number:	Workers Compensation /SIC-WC-07-002		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted	
Approved	Carol Stiffler	11/28/2007	11/28/2007	
Filing Notes				
Subject	Note Type	Created By	Created On	Date Submitted
Filing Fee	Note To Reviewer	Westmont Associates	11/26/2007	11/26/2007

*SERFF Tracking Number:*      *WESA-125367944*

*State:*      *Arkansas*

*Filing Company:*      *StarNet Insurance Company*

*State Tracking Number:*

*Company Tracking Number:*      *SIC-WC-07-002*

*TOI:*      *16.0 Workers Compensation*

*Sub-TOI:*      *16.0004 Standard WC*

*Product Name:*      *Workers Compensation*

*Project Name/Number:*      *Workers Compensation /SIC-WC-07-002*

## **Disposition**

Disposition Date: 11/28/2007

Effective Date (New): 01/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: WESA-125367944 State: Arkansas

Filing Company: StarNet Insurance Company State Tracking Number:

Company Tracking Number: SIC-WC-07-002

TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC

Product Name: Workers Compensation

Project Name/Number: Workers Compensation /SIC-WC-07-002

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Letter of Authorization	Approved	Yes

*SERFF Tracking Number:*      *WESA-125367944*      *State:*      *Arkansas*  
*Filing Company:*      *StarNet Insurance Company*      *State Tracking Number:*  
*Company Tracking Number:*      *SIC-WC-07-002*  
*TOI:*      *16.0 Workers Compensation*      *Sub-TOI:*      *16.0004 Standard WC*  
*Product Name:*      *Workers Compensation*  
*Project Name/Number:*      *Workers Compensation /SIC-WC-07-002*

**Note To Reviewer**

**Created By:**

Westmont Associates on 11/26/2007 01:29 PM

**Subject:**

Filing Fee

**Comments:**

Good afternoon.

Please be advised that the filing fee of \$100 was previously submitted. Please note that per Carol Stiffler, previously submitted check # 1695 (\$100.00) may be used as the filing fee for this submission.

If you have any questions, please do not hesitate to contact me.

Thank you.

Meghan

<i>SERFF Tracking Number:</i>	<i>WESA-125367944</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>StarNet Insurance Company</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>	<i>SIC-WC-07-002</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>Workers Compensation</i>		
<i>Project Name/Number:</i>	<i>Workers Compensation /SIC-WC-07-002</i>		

## **Rate Information**

Rate data does NOT apply to filing.



SERFF Tracking Number:	WESA-125367944	State:	Arkansas
Filing Company:	StarNet Insurance Company	State Tracking Number:	
Company Tracking Number:	SIC-WC-07-002		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	Workers Compensation		
Project Name/Number:	Workers Compensation /SIC-WC-07-002		

## Supporting Document Schedules

	<b>Review Status:</b>	
<b>Bypassed -Name:</b>	Uniform Transmittal Document-Property & Casualty	Approved 11/28/2007
<b>Bypass Reason:</b>	It is our understanding that this form does not need to be submitted with this filing.	
<b>Comments:</b>		

	<b>Review Status:</b>	
<b>Bypassed -Name:</b>	NAIC Loss Cost Filing Document for Workers' Compensation	Approved 11/28/2007
<b>Bypass Reason:</b>	Per a telephone conversation with Carol Stiffler, it is our understanding that this iform is exempt from being submitted with this filing.	
<b>Comments:</b>		

	<b>Review Status:</b>	
<b>Satisfied -Name:</b>	NAIC loss cost data entry document	Approved 11/28/2007
<b>Comments:</b>	Attached is the Loss Costs filing document.	
<b>Attachment:</b>	AR Trans SIC.pdf	

	<b>Review Status:</b>	
<b>Satisfied -Name:</b>	Cover Letter	Approved 11/28/2007
<b>Comments:</b>	Attached is the Cover Letter	
<b>Attachment:</b>	Copy of Cover Letter - SIC.pdf	

	<b>Review Status:</b>	
<b>Satisfied -Name:</b>	Letter of Authorization	Approved 11/28/2007
<b>Comments:</b>	Attached is the Letter of Authorization.	
<b>Attachment:</b>	Letter of Authorization - SIC.pdf	

**FORM RF-WC NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION**

**CALCULATION OF COMPANY LOSS COST MULTIPLIER**

<b>This filing transmittal is part of Company Tracking #</b>	SIC-WC-07-002
<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	N/a

☒ **Loss Cost Reference Filing (NCCI)** ☐ **Independent Rate Filing**

(Advisory Org, & Reference filing #) NCCI - AR-2007-10

**If this is a loss cost filing adopting an advisory organization's loss costs, the above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.**

**1. Check one of the following:**

- ☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer.

**Note: Some states have statutes that prohibit this option for some lines of business.**

- ☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

**2. Does this filing apply to all class codes? YES**

**If no, complete a copy of this form for each affected class with appropriate justification.**

**3. Loss cost modification:**

**A.** The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:  
(Check One)

- ☒ Without Modification (factor = 1.000)
- ☐ With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.) \_\_\_\_\_

**B.** Loss Cost Modification Expressed as a Factor: (See Examples Below) 1.000

Example 1: Loss cost Modification Factor: If your company's loss cost modification is -10%, a factor of .90 (1.000 - .100) should be used.

Example 2: Loss cost Modification Factor: If your company's loss cost modification is =15%, a factor of 1.15 (1.000 + .150) should be used.

**NOTE: IF EXPENSE CONSTANTS ARE UTILIZED ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 4-11 BELOW.**

**4. Development of Expected Loss and Loss Adjustment Expense (Target Cost) Ratio.**

**(Attach exhibit detailing insurer expense data, impact of premium discount plans, and/or other supporting information.)**

**PROJECTED EXPENSES: Compared to standard premium at company rates.**

		<b>Selected Provisions</b>	
<b>A.</b>	<b>Total Production Expense</b>	15.00	%
<b>B.</b>	<b>General Expense</b>	9.00	%
<b>C.</b>	<b>Taxes, Licenses &amp; Fee</b>	5.50	%
<b>D.</b>	<b>Underwriting profit &amp; contingencies*</b>	2.50	%
<b>E.</b>	<b>Other (explain)</b>	0.00	%
<b>F.</b>	<b>Total</b>	32.00	%
	* Explain how investment income is taken into account		

<b>5. A.</b>	<b>Expected Loss Ratio: ELR = 100% - 4F =</b>	68.00
<b>B.</b>	<b>ELR in Decimal Form =</b>	.6800

**NAIC LOSS COST FILING DOCUMENT—FOR WORKERS' COMPENSATION**

6.	Overall Impact of Expense Constant and Minimum Premiums: (a 2.3% impact would be expressed as 1.023)	1.04
7.	Overall Impact of Size-of-Risk Discounts plus Expense Graduation Recognition in Retrospective Rating: (An 8.6% average discount would be expressed as 0.914)	.96
8.	Company Formula Loss Cost Multiplier [3B / ((7 – 4F) X 6)]	1.50
9.	Company Selected Loss Cost Multiplier = (Attach explanation for any differences between 6 and 7)	1.50

- |     |   |                          |                                     |
|-----|---|--------------------------|-------------------------------------|
|     |   | Yes                      | No                                  |
| 10. | <b>Are you amending your minimum premium formula?</b>   |                          |                                     |
|     | If yes, attach documentation, including rate level impact as well as changes in multipliers, expense constants, maximum, etc. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 11. | <b>Are you changing your premium discount schedules?</b>  |                          |                                     |
|     | If yes, attach schedules and support, detailing premium or rate level changes.  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



**WESTMONT  
ASSOCIATES, INC.**

November 26, 2007

The Honorable Julie Benafield-Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West 3rd Street  
Little Rock, AR 72201-1904

Attn: Workers' Compensation Review Section

RE: **StarNet Insurance Company**  
**NAIC#: 40045**  
**FEIN#: 22-3590451**  
**Workers' Compensation**  
**Adoption of Bureau Loss Costs**  
**Company Filing #: SIC-WC-07-002**  
**Effective Date: January 1, 2008**

Dear Commissioner Benafield-Bowman:

On behalf of StarNet Insurance Company, we are filing for the adoption of the latest approved NCCI Workers Compensation loss costs. A Letter from the Company authorizing Westmont Associates to file on its behalf is enclosed.

The Company is filing to adopt the most recent NCCI loss costs for workers' compensation in your jurisdiction, which were filed under NCCI Item # AR-2007-10 and approved effective January 1, 2008. The Company will continue to utilize a Loss Cost Multiplier of 1.50 in coordination with these loss costs.

Your favorable review and acknowledgement is respectfully requested. Enclosed you will find a self addressed stamped envelope for your convenience in returning the duplicate copy of this filing, evidencing your acknowledgement.

Respectfully submitted,

**Wesley Pohler**

Wesley Pohler  
Assistant Vice President  
[wes@westmontlaw.com](mailto:wes@westmontlaw.com)

Enc.

Cc – M. Logan



**Carol J. LaPunzina**  
**Senior Vice President, Secretary**  
**and General Counsel**  
Direct (203) 542-3831  
Fax (203) 542-3804  
clapunzina@signetstar.com

February 1, 2006

RE: StarNet Insurance Company  
NAIC#: 40045  
FEIN#: 22-3590451  
Letter of Authorization  
Filing of Forms, Rates and Rules

In accordance with the applicable statutes and regulations of your state, Nancy Stepanski, Wesley Pohler and Westmont Associates, Inc. are hereby authorized to file form, rate and rule filings on behalf of StarNet Insurance Company.

Sincerely,

  
Carol J. LaPunzina